Guidelines for IMFL producing MNCs

1795. SHRI H.K. JAVARE GOWDA:

SHRI LAJPAT RAI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have framed any rules/guidelines under which MNCs producing IMFL in India are required to seek Government's approval before setting up of acquiring new plants;

(b) if so, the broad outlines thereof;

(c) whether it is a fact that M/s Seagram Mfg. Ltd., a multinational company has taken over Oceanic Distilleries Pvt. Ltd., Dindori, District Nasik without Government's approval; and

(d) if so, the action Government propose to take in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) and (b) FDI is not permitted for creation of fresh capacity in the potable alcohol sector. As regards, investment against existing capacity, such proposals are considered for approval provided it does not entail endorsement of License.

(c) and (d) M/s Seagram Mfg. Pvt. Ltd. was granted permission in 1993 to set up a Wholly Owned Subsidiary for establishment of a non-molasses based spirit manufacturing/blending facility. Foreign investors are bound by the terms and conditions of the foreign collaboration approval and relevant Indian laws, including the provisions of Foreign Exchange Management Act, 1999; and Regulations made thereunder. Cases of violation of the terms and conditions of the foreign collaboration approval and/or relevant Acts/Rules and dealt with by the Administrative Ministries/ Statutory authorities, including the Reserve Bank of India, for taking appropriate action against defaulting companies.

Report on Intellectual Property Rights and Development Policy

1796. SHRI R.P. GOENKA:
SHRI K.B. KRISHNA MURTHY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Commission on Intellectual Property Rights appointed by the British Secretary of State, of which Dr. R.A. Mashelker was a Member, has submitted its report titled, 'Intellectual Property Rights and Development Policy; and

(b) if so, the details of major recommendations contained in the report and Government's decision on each of them?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) and (b) The Commission on Intellectual Property Rights was set up by the British Government with a view to consider (a) how national intellectual property regimes could best be designed to benefit developing countries within the context of international agreements, including the agreement on Trade Related Aspects of Intellectual Property; (b) how the international framework of rules and agreements might be improved and developed and (c) the broader policy framework needed to complement intellectual property regimes. Since the Commission was set up by the British Government, as such its Report has been submitted to the British Government on September 12, 2002.

It is, however, noted that the Report basically seeks to integrate intellectual property rights and development policy and, *inter alia*, emphasises the need for adequate sefeguards for developing countries. It is further noted that the main safeguards suggested in the Report in respect of patent regime relate to: compulsory licensing; parallel imports; Government use of patent; exclusion of diagnostic, therapeutic and surgical methods from patentability; exclusion of new uses of known products from patentability; Bolar provision; prohibition of patent protection on plants and animals including genes and genetically modified plants and animals; and an obligation to disclose the geographical source of the genetic resources used in invention in the patent applications. The Patents Act, 1970 as amended by the Patents (Amendment) Act, 2002 substantially provides for these safeguards along with provisions which, in sum enable an appropriate timely and efficient response to national and public interest requirements/concerns.